

The United States, through the U.S. Agency for International Development (USAID), signed an agreement with the Government of Nepal on September 23 to provide an additional \$42 million in Fiscal Year (FY) 2008. This funding is part of a total U.S. development assistance package for Nepal of approximately \$67 million in FY 2008. U.S. assistance will support the Nepali government's development priorities in health, economic growth, democracy and governance, and conflict mitigation sectors.

"This agreement is another demonstration of the U.S. commitment to supporting development priorities in Nepal and we are very pleased to be working with the Government of Nepal," said USAID/Nepal Deputy Mission Director Anthony S. Chan. "This money will support programs that directly benefit the Nepali people."

Signed by Mr. Krishna Gyawali, Joint Secretary of the Ministry of Finance, and Ms. Beth S. Paige, USAID/Nepal Mission Director, the amendments will provide approximately \$16 million to conflict mitigation, livelihoods and economic growth programs that protect livelihoods of the poor, increase rural incomes through enhanced agricultural yields, and provide vocational training and targeted scholarships for disadvantaged youth.

USAID/Nepal will also provide \$8 million to support democracy and governance programs that strengthen the democratic electoral and political processes, support community level natural resource management, encourage and facilitate representation of women in politics, and combat trafficking and exploitation.

Eighteen million dollars will fund programs supporting maternal and child health, family planning, and HIV/AIDS care and prevention.